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DE RUEHCL #0210/01 3230912
ZNR UUUUU ZZH
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FM AMCONSUL CASABLANCA
TO RUEHC/SECSTATE WASHDC 8556
INFO RUCPDO/DEPT OF COMMERCE WASHDC
RUCNMGH/MAGHREB COLLECTIVE
RUEHFR/AMEMBASSY PARIS 0729
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UNCLAS CASABLANCA 000210

SIPDIS

STATE FOR NEA/MAG
COMMERCE FOR NATHANIEL MASON

E.O. 12958: N/A
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SUBJECT: MOROCCO, THE WORLD'S NEXT HOLLYWOOD?

¶1. (SBU) SUMMARY: Situated in central Morocco, the Souss-Massa-Draa region has become one of the world's most appealing film locations - and the backdrop for several major Hollywood films starring actors such as Angelina Jolie, Russell Crowe, and Leonardo DiCaprio. The Moroccan government has implemented a three-pronged approach to boost the country's film industry, which employs more than half the region's residents: a fiscal incentive scheme to attract foreign producers, a doubling of the region's film production capacity to 30 feature films per year, and a willingness to embrace foreign productions deemed too provocative by other Middle Eastern countries. The regional film industry's hard-won success may be at risk, however, if the Government of Morocco does not address the dearth of local film technicians. End Summary.

Lights, Camera, Action

¶2. (SBU) During the last decade, the Souss-Massa-Draa region has quietly become one of the world's most sought-after film locations. Today, Moroccan film production amounts to some 15 features and 50 short films annually. The city of Ouarzazate, the heart of the region's film industry, has been the location for some of Hollywood's major films, featuring stars such as Angelina Jolie, Russell Crowe, and Leonardo DiCaprio. With its stony deserts, striking oases, unique Kasbahs, and snow-covered summits, Ouarzazate has become the Egypt of "The Mummy", the Somalia of "Black Hawk Down", and the Jerusalem of "The Kingdom of Heaven".

Luring Hollywood

¶3. (SBU) To supplement the appeal of the region's stunning landscape, the government has implemented a three-pronged approach to boost the country's film sector. First, it has implemented a fiscal incentive scheme to lure international film producers. Under this scheme, the government offers foreign film companies tax exemptions on film equipment purchased within the country, reduced tariff rates for the importation of cinema equipment, free filming on government-owned property, the use of army personnel and equipment for cinematic purposes, and concessional airline fares. When combined with Morocco's relatively inexpensive labor force, these incentives can equate to savings of 30 to 50 percent on production costs compared to Europe or the United States, according to Director of the Souss-Massa-Draa Regional Investment Center (SDRIC) Abdessadek El Alem.

¶4. (SBU) The government has also committed to doubling the region's film production capacity from 15 to 30 feature films per year in the next five years. To do this, the GOM is partnering with foreign studios such as Italy's DeLaurentis, said Abderrazzak Zitouny of the Ouarzazate Film Commission (OFC), a working group tasked with overseeing this expansion. According to Zitouny, the larger film

production capacity will generate USD 259 million in annual income for the region and employ close to 8,000 people on a full-time basis.

15. (SBU) Finally, the country's moderate orientation has readily embraced foreign film productions deemed too provocative by other Middle Eastern countries. Zitouny told Econoff, "Unlike other countries in the Middle East we are fine with producing what some may deem provocative. It is a testament to Morocco's modern and progressive spirit." As the region's largest employer, Morocco's film sector wields economic clout, enabling it to push boundaries. For example, according to Zitouny, Jordan declined to host Leonardo DiCaprio's "Body of Lies", which dealt with the global war on terror. But Morocco welcomed the film's crew with open arms. When the producers of "Sex in the City" were denied permission to film in Dubai, Morocco was more than glad to invite the crew to film in Marrakesh. Hassan II University Professor Bekouchi says it is a sign of the country's moral tolerance.

The Challenge

16. (SBU) Despite this broad-based effort to strengthen the country's film sector, some obstacles remain. Chief among them is the dearth of local film technicians. Morocco's Cinematographic Center (CCM), the central governing authority, remains focused on supporting the nascent domestic film industry. However, serious deficits exist in areas such as trained local personnel to support international productions, said Zitouny. Foreign companies continue to bring mid-level professionals to Morocco because of the limited pool of competent local film technicians. "Training will be critical to supporting international film production, without which Morocco will not be able to absorb the expected increase of films," added El Alem.

17. (SBU) Concerned about the lack of local film technicians, the GOM has created Morocco's first technical film school in Ouarzazate. Inaugurated in 2007, with nearly 120 students, the school provides university graduates with custom design, visual graphic creation, post-production editing, and set design skills in order to meet the demands of today's international filmmakers. The two-year program, which also emphasizes fluency in English and French, will graduate its first class in December, said the school's director, Ahmed Ait Ouzdi.

Comment

18. (SBU) Ouarzazate is aggressively pursuing a sister city partnership with the city of Los Angeles, a testament to the strong partnership that exists between the American and Moroccan film communities. With the country's film production capacity set to double, it is likely that more U.S. filmmakers will find Morocco an appealing film destination. In addition, the film industry has enormous potential for development under the US-Morocco Free Trade Agreement.

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